Income-Tax dues against Mehman Restaurant in Naraina, New Delhi

2464. SHRI BHAGATRAM MANHAR; Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Mehman Restaurant near Payal Cinema, Naraina, New Delhi have not filed income-tax returns for the last three years and thus have evaded several lakhs of rupees towards taxes;

(b) whether it is also a fact that the proprietors of this Restaurant have diverted a large amount of other companies owned by them which are dealing in cloth having offices in the name of M/s. Harmanjit Singh and Company, 614792, Chandni Chowk, Delhi;

(c) if so, whether any enquiry has been conducted and if not, what are the reasons therefor; and

(d) what action Government propose to take against the above companies to recover the taxes?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) to (d) As per the partnership deed filed with the Income-tax Department, the firm M/s. Mehman Restaurant, New Delhi came into existence only on 2-9-1987, Books of account of the firm were closed for the first time on 31.3.1988. The return of income for the assessment year 1988-69 has been filed on 27-7-1988. The case has been selected for selective scrutiny and the fact whether the firm have evaded taxes or whether the proprietors of this Restaurant have diverted a large amount to other companies owned by them will come to light only during the course of assessment proceedings.

Loans for Rehabilitation of prostitutes

2465. DR. YELAMANCHILI SHIVAJI: Will the Minister of FINANCE be pleased to state:

(a) whether any public sector bank-has advanced loans to prostitutes at concessional rates in a bid to rehabilitate them;

(b) if so, what are the details thereof; and

(c) whether there is any proposal to extend such facilities in all parts of the country?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO); (a) and (b) Reserve Bank of India has reported that its date reporting system does not generate information in the manner asked for.

(c) Does not arise.

Rate of interest charged on projects in the food processing industry sector

2466. SHRI K. V. THANGKABALU: Will the Minister of FINANCE be pleased to state;

(a) what is the rate of interest being charged on projects in the food processing industry sector on the domestic and foreign exchange term loans by ICICI and other financial institutions and whether Government propose to effect any change in these rates and bring them at par with the other sector; and

(b) what are the rate of interest being charged by the scheduled banks on working capital from the units in this priority industry?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The Industrial Development Bank of llndia (IDBI) has reported that in respect of direct assistance, the rates of interest charged by financial institutions on rupee loans as well as foreign currency